

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | PHILIP Y. BROWN, ESQ. | JOHN B. LANGAN | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY

MEMORANDUM

TO: Lexington Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: October 20, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made quarterly each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



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Appropriation Forecast

Fiscal		Employee	Employer	Amortization	Employer	Employer	
Year		Employee	Normal Cost	Payments	Total Cost	Total Cost	Funded
Ending	Payroll*	Contribution	with Interest	with Interest	with Interest	% of Payroll	Ratio %**
2015	\$32,850,691	\$2,860,304	\$1,722,405	\$3,283,132	\$5,005,537	15.2	82.1
2016	34,328,972	3,019,794	1,767,067	3,488,470	5,255,537	15.3	83.7
2017	35,873,776	3,187,846	1,812,261	3,693,276	5,505,537	15.3	85.2
2018	37,488,096	3,364,907	1,857,944	3,897,593	5,755,537	15.4	86.8
2019	39,175,060	3,551,449	1,904,068	4,101,469	6,005,537	15.3	88.4
2020	40,937,938	3,747,965	1,950,582	4,304,955	6,255,537	15.3	90.1
2021	42,780,145	3,954,976	1,997,425	4,508,112	6,505,537	15.2	91.9
2022	44,705,251	4,173,029	2,044,535	4,711,002	6,755,537	15.1	93.8
2023	46,716,988	4,402,698	2,091,840	4,913,697	7,005,537	15.0	95.8
2024	48,819,252	4,644,586	2,139,262	5,116,275	7,255,537	14.9	97.9
2025	51,016,119	4,899,329	2,186,716	63,874	2,250,590	4.4	100.1
2026	53,311,844	5,167,593	2,234,109	0	2,234,109	4.2	100.0
2027	55,710,877	5,450,080	2,281,340	0	2,281,340	4.1	100.0
2028	58,217,866	5,747,526	2,328,297	0	2,328,297	4.0	100.0
2029	60,837,670	6,060,706	2,374,860	0	2,374,860	3.9	100.0
2030	63,575,366	6,390,434	2,420,899	0	2,420,899	3.8	100.0
2031	66,436,257	6,737,564	2,466,273	0	2,466,273	3.7	100.0
2032	69,425,889	7,102,996	2,510,828	0	2,510,828	3.6	100.0
2033	72,550,054	7,487,672	2,554,399	0	2,554,399	3.5	100.0
2034	75,814,806	7,892,586	2,596,806	0	2,596,806	3.4	100.0
2035	79,226,472	8,318,780	2,637,858	0	2,637,858	3.3	100.0
2036	82,791,663	8,693,125	2,756,562	0	2,756,562	3.3	100.0
2037	86,517,288	9,084,315	2,880,607	0	2,880,607	3.3	100.0
2038	90,410,566	9,493,109	3,010,234	0	3,010,234	3.3	100.0
2039	94,479,042	9,920,299	3,145,695	0	3,145,695	3.3	100.0
2040	98,730,599	10,366,713	3,287,251	0	3,287,251	3.3	100.0
2041	103,173,476	10,833,215	3,435,177	0	3,435,177	3.3	100.0
2042	107,816,282	11,320,710	3,589,760	0	3,589,760	3.3	100.0
2043	112,668,015	11,830,142	3,751,299	0	3,751,299	3.3	100.0
2044	117,738,075	12,362,498	3,920,108	0	3,920,108	3.3	100.0
2045	123,036,289	12,918,810	4,096,513	0	4,096,513	3.3	100.0
2046	128,572,922	13,500,157	4,280,856	0	4,280,856	3.3	100.0

* Calendar year

** As of 1/1 prior to beginning of fiscal year